1 2	Rebuttal Testimony of Brian Ross							
3 4	On behalf of the 500 Road Group							
5 6 7		Illinois Commerce Commission Docket 01-0620						
8	Q.	Please state your name and business address.						
9	A.	My name is Brian Ross. My business address is 2634 Vincent Avenue North						
10	Minneapolis, MN.							
11	Q.	Are you the same Brian Ross that offered direct testimony in this proceeding?						
12	A.	Yes						
13	Q.	What is the purpose of your rebuttal testimony?						
14	A.	My rebuttal testimony will respond to several issues raised by Mr. Kirit Shah in his						
15	rebuttal testimony on behalf of Ameren/CIPS. The fact that I do not discuss any particular issue							
16	or position in my rebuttal testimony does not indicate that I endorse or otherwise agree with that							
17	particular issue or position.							
18	Q.	On pages 12 and 13 of his rebuttal testimony, Mr. Shah discusses his opinion that						
19	"externalities," described in your direct testimony, have no place in the current certificate							
20	hear	ing. Does Mr. Shah present any evidence that externalities are not costs?						
21	A.	No. Mr. Shah agrees with Staff witness Larson's direct testimony that the decision						
22	crite	ria (Shah Rebuttal at 2) noted in Section 8-406 of the Public Utilities Act are the operative						
23	decis	ion criteria. Mr. Shah then asserts, without additional evidence, that costs that are external						
24	to the Company's cost analysis are not within the scope of this proceeding.							
25	Q.	Does the Company consider external costs in its cost analysis?						

A. The Company does not assign costs to the nuisance and property value impacts of the proposed line, but does include in its planning assessment a consideration of the proposed line's impacts that extend beyond the actual right-of-way ("ROW"). On pages 6 and 7 of AmerenCIPS witness Mr. DeWeese's direct testimony, he notes that using the first alternative line route "affects a fewer number of occupied residences within 200 feet of its centerline," and the second alternative line route "does have fewer occupied homes within 200 feet of the centerline than the other routes." The proposed line's ROW for any of the alternative routes will be only 40 feet on either side of the centerline (Laup Direct at 3).

While acknowledging that potential impacts of the proposed line affect a corridor that is 400 rather than just 80 feet wide, AmerenCIPS did not include these costs in its economic analysis. The Company has provided its methodology for creating a cost estimate for its proposed transmission line (Id. at 4-6). The monetary costs included in this methodology cover only the portion of any private property that falls within the proposed line's 80 foot ROW and rely on a pre-determined compensation formula that does not acknowledge "Specific situations that are non-typical" (Id. at 5). Thus, the Company did not assign any costs to the impacts of the proposed line on property value or land use outside the delineated ROW.

I believe the Commission should consider such costs and recognize that the estimated costs of each alternative line would be higher than what AmerenCIPS has estimated, and that the difference in cost between the alternative lines (the resagging/reconstruction of the existing lines, and the alternative routes that affect fewer occupied homes) is significantly less than asserted by the Company. At the very least, the cost uncertainty associated with the new line in regard to "potential landowner damages" is quite real, and could ultimately change the economic viability of the alternatives analysis. More likely, the proposed line will impose substantial costs on

- 49 landowners adjacent to or within the line's ROW that will not be recognized by AmerenCIPS or
- 50 AEG.
- On page 13 of his rebuttal testimony, Mr. Shah asserts that you have misconstrued
- 52 the meaning of a planning memo that discussed the option of using an operating limitation
- at Gibson City as a long-term contingency plan. Do you believe you misconstrued that
- 54 memo?
- 55 A. No.
- 56 Q. Is the operating limitation part of a potential mitigation strategy?
- 57 A. Yes, I believe the strategy can be part of a mitigation effort. The option is available as an
- economic choice by the generator. Mr. Shah is of the opinion that AmerenCIPS cannot require,
- 59 under NERC planning standards and FERC non-discrimination standards, the generator to use
- 60 the referenced operating limitation as part of a long-term contingency plan. (Shah Rebuttal at 7).
- Whether long-term use of the operating limitation is a violation of the non-discriminatory access
- standards is a legal question. However, my understanding of the AmerenCIPS memos provided
- 63 in response to Staff data request POL 1.15, of the obligations of AmerenCIPS to AEG and of
- AEG's own regulatory obligations, is that AEG is not under any obligation to purchase
- transmission capacity that enables it to run its plant at full output in the event of a single
- 66 contingency. Neither is AmerenCIPS obligated to provide transmission capacity below cost.
- The memo to which Mr. Shah and I refer was written before the Company's decision to
- 68 proceed with a new transmission line. This memo indicated that the generator (AEG), not
- 69 AmerenCIPS, would consider, based on economic considerations, alternatives to an expensive
- 70 transmission upgrade including an operating limitation in the event of a single contingency. This
- economic consideration is consistent with the Gibson City generating plant's low capacity factor

72	as discussed by Staff witness Larson on page 3 of his direct testimony. The generator has little					
73	economic incentive to pay for an expensive transmission upgrade to enable a peaking plant to					
74	produce its full output during the off-peak season in the unlikely event of a failure of one 138-kv					
75	line.					
76	Q. On page 5 of his rebuttal testimony, Mr. Shah describes the transmission system					
77	planning criterion that he states "must be followed to continue to provide a reliable					
78	transmission system." He also notes that the Gibson City plant does not meet the					
79	transmission system planning criterion. Is the transmission system planning criterion Mr.					
80	Shah cites a requirement that AmerenCIPS must follow under any circumstances?					
81	A. No. My understanding is that AmerenCIPS is required to submit its transmission system					
82	planning criteria and guidelines to the Federal Energy Regulatory Commission (FERC), and					
83	engage in regional transmission planning with other utilities, but the criteria are not imposed					
84	upon AmerenCIPS either by statute or regulation. While these guidelines and criteria can inform					
85	the administration of rules, such as the non-discrimination requirement noted by Mr. Shah on					
86	page 6 of his rebuttal testimony, my understanding is that an exception or departure from the					
87	criterion is not equivalent to failing to comply with an affirmative legal obligation, nor does it					
88	demonstrate unreliability.					
89	Q. Does AmerenCIPS' transmission system planning standards described by Mr. Shah					
90	allow for exceptions or mitigating circumstances?					
91						
92	In a proprietary response to Intervenor data request 2.08					
93	AmerenCIPS provided					

95						
96						
97 98 99 100 101 102 103 104						
105 106 107 108 109 110 111 112 113 114 115 116 117 118	provided in response to Intervenor Data Request 2.08)					
119	Intervenor Data Request 2.08)					
120	Q. In his rebuttal testimony Mr. Shah discusses at length the reasons why he believes					
121	not building the proposed line will present reliability compromises and put AmerenCIPS	at				
122	risk for discriminatory practices. If the Commission does not grant this certificate, do					
123	AmerenCIPS and the public face the risks described by Mr. Shah?					
124	A. No, for several reasons. First, while Mr. Shah appears to present this case as a choice					
125	between the proposed line and system reliability, that is not the choice before the Commission.					
126	AmerenCIPS has other options of meeting its transmission planning criteria than building the					
127	proposed line, including options that do not rely on the generation reduction scheme that					
128	currently mitigates the risk from a single contingency failure. His concern about being able to					

"reliably deliver the thousands of MWs of new generation" (Shah Rebuttal at 10) has very little, if anything, to do with the decision currently before the Commission.

Second, as noted in answer to the previous question,

Finally, the real issue before the Commission in this proceeding is one of need and cost for the particular proposed line rather than merely an engineering or transmission planning decision. The costs of the proposed line, including the external costs and the risk posed by cost uncertainty, must be weighed against the actual need for the line. The Commission should not dismiss real costs of this proposed line, costs that AmerenCIPS chose not to consider, merely to provide AEG with a less costly transmission enhancement.

- Q. Does this conclude your rebuttal testimony?
- 141 A. Yes.

AmerenCIPS' Response to 500 Road Group's Data Request ICC Dock No. 01-0620

Company Person Responsible: Kirit Shah

Title: Supervising Engineer

Business Address: 1901 Chouteau Avenue

St. Louis, MO 63103

Phone: (314) 554-3542

Intervenor 2.08 Please provide copies of AmerenCIPS FERC-715 filings for the

previous three years.

Response: See attached copy of Ameren's filings for 1999, 2000, and 2001. The

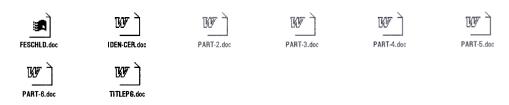
electronic copy does not include maps provided as part of the Part-3

filing.

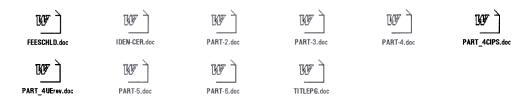
1999 Filing

FESCHLD.doc	IDEN-CER.doc	PART-2.doc	PART-3.doc	PART-4.doc	PART-5.doc
PART-8.doc	TITLEP 6. doc				

2000 Filing



2001 Filing



Portion of AmerenCIPS Response to Intervenor Data Request 2.08

Public Version

This is confidential and proprietary.

CERTIFICATE OF SERVICE

(Docket No. 01-0620)

I hereby certify that I have this 19th day of April, 2002, served Rebuttal Testimony of

Brian Ross on behalf of the 500 Road Group's by electronic mail, postage prepared, to the

following:

*John D. Albers, Administrative Law Judge Illinois Commerce Commission 527 E. Capitol Ave. Springfield, IL 62701

Email: jalbers@icc.state.il.us

Howard Haas
Case Manager
Energy Division
Illinois Commerce Commission
527 E. Capitol Ave.
Springfield, IL 62701
E-Mail: hhaas@icc.state.il.us

Phil Hardas Illinois Commerce Commission 527 E. Capitol Ave. Springfield, IL 62701

Email: phardas@icc.state.il.us

Bruce Larson Illinois Commerce Commission 527 E. Capitol Ave. Springfield, IL 62701

Email: blarson@icc.state.il.us

Ron Linkenback Illinois Commerce Commission 527 E. Capitol Ave. Springfield, IL 62701

Email: rlinkenb@icc.state.il.us

*Linda M. Buell Office of General Counsel Illinois Commerce Commission 527 E. Capitol Ave. Springfield, IL 62701 E-Mail: lbuell@icc.state.il.us

*David Hennen Ameren Mail Code 1310 1901 Chouteau Avenue St. Louis, MO 63103 E-Mail: dhennen@ameren.com

*Steven Matrisch Office of General Counsel Illinois Commerce Commission 527 E. Capitol Ave. Springfield, IL 62701 E-Mail: smatrisc@icc.state.il.us

Robert J. Mill Central Illinois Public Service Company 607 E. Adams St. Springfield, IL 62739 Email: bob mill@ameren.com *Gary A. Brown
Julie B. Cox
Sorling, Northrup, Hanna, Cullen &
Cochran, Ltd.
Illinois Building, Suite 800
P.O. Box 5131
Springfield, IL 61705

Email: gabrown@sorlinglaw.com

jbcox@sorlinglaw.com

Steven R. Sullivan
Central Illinois Public Service Company
1901 Chouteau Avenue, MC 1300
St. Louis, MO 63166-6149
E-Mail: srsullivan@ameren.com

Matt C. Deering

^{*}denotes Proprietary Version provided